

Updated September 3, 2021

Bureau of Reclamation: FY2022 Appropriations

Overview

The Bureau of Reclamation (Reclamation), part of the Department of the Interior, is responsible for construction and operation of hundreds of large dams and water diversion structures in the 17 coterminous western states. These projects provide water to approximately 10 million acres of farmland and 31 million people. Reclamation is the largest wholesale supplier of water in 17 western states and the second-largest hydroelectric power producer in the nation. Reclamation's mission areas and geographic scope are narrower than the other principal federal water resource agency, the U.S. Army Corps of Engineers.

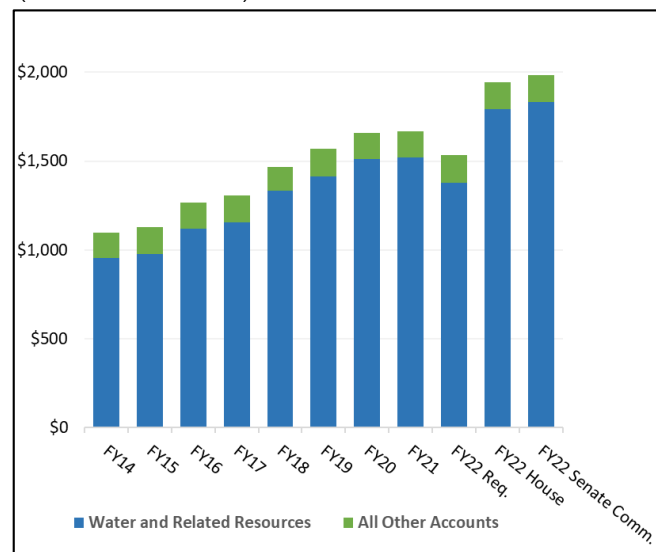
Reclamation's role has evolved, and its focus gradually has shifted from construction of new water storage projects to operation and maintenance of existing projects. Reclamation also has expanded into new areas, including funding for water supply projects on tribal lands and in rural areas under congressionally authorized Indian water rights settlements and rural water supply projects, respectively. In addition, Congress has authorized Reclamation grants to nonfederal projects, including those for water reuse and recycling, conservation and efficiency, and desalination.

Reclamation's Water and Related Resources account funds most agency activities, including construction, operation and maintenance, dams safety, ecosystem restoration, Indian water rights settlements, and most programmatic and grant authorities. Reclamation typically also requests funding for three smaller accounts: California Bay-Delta Restoration, the Central Valley Project Restoration Fund (which is offset by customer receipts), and Policy and Administration.

FY2022 Budget Request and Appropriations Action

The Administration request is commonly less than the final enacted total for Reclamation. For FY2022, President Biden requested \$1.53 billion in gross current authority (i.e., appropriations before offsets) for Reclamation. H.R. 4502 (Division C), the House-passed appropriations bill for Energy and Water Development and Related Agencies, recommended \$1.95 billion for Reclamation. S. 2605, as reported by the Senate Appropriations Committee, included \$1.99 billion for Reclamation. **Figure 1** shows recent enacted appropriations levels for Reclamation's Water and Related Resources Account, as well as its other smaller accounts, compared with the FY2022 Administration requested, House-passed, and Senate committee-reported levels.

Figure 1. Reclamation Appropriations: FY2014-FY2022
(nominal \$ in millions)



Source: Congressional Research Service (CRS), based on FY2014-FY2021 enacted appropriations, and FY2022 budget request and Appropriations Committee data.

Notes: Does not reflect offsetting receipts for the Central Valley Project Restoration Fund.

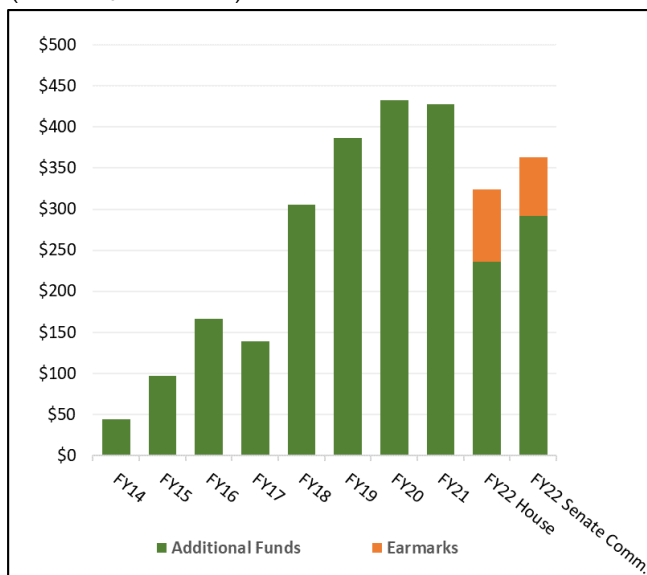
Earmarks and Reclamation

The Water and Related Resources account consists largely of individual project funding lines. During the 112th-116th Congresses, Reclamation appropriations were subject to general earmark moratoriums that restricted Congress from funding geographically specific project line items not requested by the Administration. In lieu of these additions, Congress included "additional funding" amounts for selected categories of Reclamation projects, typically in five categories: Rural Water, Water Conservation & Delivery, Environmental Restoration and Compliance, Fish Passage/Fish Screens, and Facilities Maintenance and Rehabilitation. The Administration recommends allocations of these funds for specific projects in work plans made available several months after Congress enacts appropriations bills. (Work plans are available at <http://www.usbr.gov/budget/>.)

For FY2022 appropriations, H.R. 4502 and S. 2605 proposed the first "earmarks" in Energy and Water appropriations since the 111th Congress. The bills also would fund the aforementioned additional funding categories, albeit at lower levels than in recent years (**Figure 2**).

Figure 2. Reclamation Additional Funds and Earmarks, FY2014-FY2022

(nominal \$ in millions)



Source: Congressional Research Service (CRS), based on FY2014-FY2021 enacted appropriations and Appropriations Committee data.

Reclamation Appropriations Issues

WIIN Act Section 4007 Funding

Section 4007 of the Water Infrastructure Improvements for the Nation Act (WIIN Act; P.L. 114-322) authorized a new process for Reclamation to study and construct federal and nonfederal water storage projects. For a project to receive funding that Congress previously appropriated under this authority, the Administration must recommend it for funding, and Congress must approve the recommendation in enacted appropriations legislation. From the first appropriations under the WIIN Act (FY2017) through FY2021, Congress appropriated \$603 million for these projects (including \$134 million in FY2021 enacted appropriations under the Additional Funding category). Of these appropriations, Congress has approved approximately \$306 million in Reclamation-recommended funding for 12 individual projects in 3 states (9 in California, 2 in Washington, and 1 in Idaho). To date, Congress has not followed one Reclamation funding request: for the Shasta Dam and Reservoir Enlargement Project in California.

In July 2021, Reclamation recommended an additional \$206 million in prior year Section 4007 appropriations for six Section 4007 projects and the Senate Appropriations Committee agreed to these allocations in S. 2605. S. 2605 also recommended an additional \$134 million for future 4007 projects. H.R. 4502 recommended an additional \$67 million for future Section 4007 projects; it did not reference the Administration-requested projects.

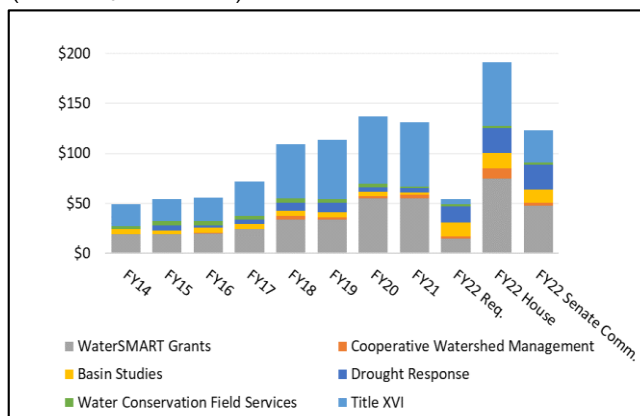
WaterSMART Program

Reclamation combines funding for six subprograms (many of them awarded as grants) that promote water conservation into one program—the WaterSMART program. The largest subprograms are WaterSMART grants (i.e., water and energy efficiency grants) and Title XVI projects (i.e., water

recycling and reuse projects). For FY2022, the Biden Administration requested \$54 million for the WaterSMART program. Both H.R. 4502 and S. 2605 included funding in addition to the President’s request, such as major increases for several WaterSMART programs, including WaterSMART Grants and Title XVI (Figure 3).

Figure 3. Reclamation WaterSMART Program: FY2014-FY2022

(nominal \$ in millions)



Source: Congressional Research Service (CRS), based on FY2014-FY2021 enacted appropriations, and FY2022 budget request and Appropriations Committee data.

Western Drought

Much of the western United States is facing extraordinary drought conditions, and several Reclamation programs address drought. For FY2022, both H.R. 4502 and S. 2605 would add funds for drought response, with \$8.5 million in addition to the Administration’s budget request for the Drought Response Program. H.R. 4502 also stipulated that \$50 million in additional funding for Water Conservation and Delivery (see previous section, “Earmarks and Reclamation”) was for implementation of the Lower Colorado River Drought Contingency Plan, while S. 2605 stipulated that \$40 million was for the same purpose.

Additional Reading

CRS Report R46303, *Bureau of Reclamation: History, Authorities, and Issues for Congress*.

CRS In Focus IF10626, *Reclamation Water Storage Projects: Section 4007 of the Water Infrastructure Improvements for the Nation Act*.

CRS Report R44148, *Indian Water Rights Settlements*.

CRS Report R46308, *Bureau of Reclamation Rural Water Projects*.

CRS Report R45546, *Management of the Colorado River: Water Allocations, Drought, and the Federal Role*.

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